

UK–Japan Joint Statement on Climate Change and Energy Cooperation

The text of the following statement was released by the Governments of the United Kingdom and Japan on the occasion of the visit of Prime Minister Abe to the UK on 1 May 2014.

The UK and Japan recognise the severity of the challenge posed by climate change. We welcome the Intergovernmental Panel on Climate Change's (IPCC) Fifth Assessment Report on the state of the climate and share the view that this latest assessment of the scientific evidence re-emphasises the urgent need for governments, businesses and individuals to tackle climate change. We share the view that without ambitious national and international action, climate change represents an urgent and potentially irreversible threat to current and future generations and the planet. We also recognise the huge economic opportunities of moving to a low carbon economy as a new driver of growth and jobs, and for greater security of energy supply.

The UK and Japan wish to promote mutual cooperation both in the public and private sectors, and recognise the importance of investing in a diverse, efficient and clean energy mix in order to ensure long-term security of supply and emissions reductions. We share the view that low carbon policies are vital for a competitive, sustainable and resource efficient economy, stimulate innovation and provide a source of quality new jobs. We will continue to maximise the opportunities for UK–Japan commercial partnerships in low carbon goods and services, a sector now worth \$5 trillion globally and growing at almost 4% a year. We will continue to work closely on international climate change and energy security issues including through the UK–Japan Energy Dialogue, as well as in international fora; we look forward to collaborating closely in the lead up to the G7 Energy Ministerial meeting and beyond. We will, furthermore, increase the scope for further cooperation and information sharing on policies (including information exchange with the private sector, as needed) on energy efficiency, nuclear energy, renewable energy, smart communities, energy storage, CCS technologies, electricity market reform, competitive and flexible gas markets, and the deployment of the 2050 Pathways Calculator which can be used to engage a range of audiences in discussion on the challenges and opportunities of the future energy system. In addition, our diplomatic missions will support companies to exhibit their new low carbon energy technology.

Our commitment to work together on energy efficiency is evidenced by the Smart Community Project MOU signed on 12 March by the UK Government (BIS, DECC and the Greater Manchester Combined Authority) and the Japanese organisation, NEDO (New Energy and Industrial Technology Development Organization). The agreement paves the way for the installation of 600 next generation air-source heat pumps into council-owned homes in Greater Manchester and the linking of the pumps via an innovative smart network IT platform to enable advanced management of energy flows. The project will contribute towards the shift from gas to electricity as the main source of domestic energy in the UK; a shift that will aid the transition to a low carbon energy market in the UK. The project will also help lead to the achievement of Greater Manchester's ambitious target to reduce CO₂ emissions by 48% by 2020 (compared to 1990 levels).

During the visit of Prime Minister Cameron to Japan in April 2012, ETI and Hitachi agreed to collaborate on the smart community project entitled Smart Systems and Heat Project. Currently the two companies are working together on the initial phase of the project which includes system planning and design. In late 2016, the project will enter Phase 2, the on-site application phase. It is anticipated that the two companies will continue working together beyond the lifetime of the project. ETI's activities are expected to contribute towards the reinforcement of bilateral cooperation and mutual understanding between our two countries.

The UK and Japan have long-standing nuclear experience and expertise, and a history of cooperation in civil nuclear power going back to the 1960s through to the present day. The UK supplied Japan's first commercial nuclear power station and provided a spent fuel reprocessing service for both that reactor and, from the 1970s, for many of Japan's light water reactors.

Through the annual UK–Japan Nuclear Dialogue, the UK and Japan recognise the importance of nuclear energy, continue to promote mutual cooperation, and the UK continues to provide support for the decommissioning and clean-up challenges at Fukushima Daiichi. In addition, the UK collaborates with a number of Japanese nuclear and waste management organisations covering a broad range of mutual areas of interest. Through the Dialogue a working group on decommissioning has been established – this has helped share UK technological and strategic expertise and experience to support work dealing with the challenges at Fukushima Daiichi. It has also led to the signing of a cooperation statement between TEPCO Fukushima Daiichi Decontamination and Decommissioning Company and Sellafield Ltd today which we strongly welcome. The Nuclear Dialogue has also enabled agreement on the importance of continued discussion on policy positions and options and the direction taken on plutonium management. The UK's Office for Nuclear Regulation (ONR) and the Japanese Nuclear Regulation Authority (NRA) plan to continue cooperating and exchanging information. The meeting which took place in Liverpool in September 2013 was a good start to enhancing this cooperation.

The Nuclear Dialogue has also led to the agreement to establish working groups to share approaches on local public/stakeholder engagement, and science communication including approaches to communicating risk and uncertainty. Furthermore, through the dialogue, we have agreed to establish the UK–Japan civil nuclear joint research fund, and a related working group on nuclear energy research. Both countries continue to play an important role in the global increase of the peaceful use of nuclear energy ensuring its safety and security in accordance with the principles of continuous improvement and transparency, in line with International Atomic Energy Agency (IAEA) safety standards. Together, we believe that nuclear energy provides a consistent and affordable source of energy, and has a key role to play in the future low carbon energy mix. Therefore, the UK and Japan welcome the significant investment from Japanese industry, notably Hitachi and Toshiba, in the UK's nuclear build programme and their interest in developing commercial partnerships, as these partnerships are crucial to ensuring the programme's success.

We will continue to promote clean energy and climate resilient development around the world. We support the provision of climate finance targeted at helping countries make the transition to a low carbon and climate resilient economy. Japan provided \$13.5bn of public finance from 2010 until 2012 and has committed \$16bn of public and private finance, among which public finance amounts to \$13bn, during the 3-year period between 2013 and 2015, and the UK is providing a total of nearly £4bn from 2011 to 2016. We endeavour to use these public funding sources as a catalyst for private sector investment in developing countries in support of adaptation and mitigation to climate change. We emphasise our ongoing support for existing multilateral climate funds including the Global Environment Facility and the Climate Investment Funds, and look forward to the swift operationalisation of the Green Climate Fund.

The need to substantially scale up efforts to mobilise investment in low-carbon and climate-resilient infrastructure has been widely recognised. In April this year the first global public-private platform dedicated to designing and promoting the next generation of climate finance instruments was announced. The Global Innovation Lab for Climate Finance (the Lab), will be a partnership between senior decision makers in government, private investment and multilateral financial institutions. This is an exciting and innovative project which will see involvement from many different businesses and

governments, including both the UK and Japan. The inaugural meeting of the lab is being hosted by the UK in June as part of the Clean Energy Finance Summit.

The UK and Japan recognise the importance of innovation to develop and disseminate energy- and environment-related technologies that can help tackle climate change. The UK welcomes the establishment of the Innovation for Cool Earth Forum (ICEF) by the Japanese government, the first meeting of which will be hosted in Tokyo in October 2014. ICEF aims to facilitate international co-operation on how innovation can address climate change through global discussions between researchers, business and policy makers.

The UK and Japan will continue to treat climate change as an issue of high priority in the bilateral relationship as we work towards an ambitious and coordinated global response to this serious challenge.